

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### AB Tube Processing Inc

#### Nevada Management Assistance Partnership

#### Lean Transformation At Ab Tube Processing

##### Client Profile:

AB Tube Processing, founded in April 1998, began production in January 1999. AB Tube Processing manufactures canisters, chambers, and tubes used in automobile airbags. The company, a subsidiary of Sumitomo Corporation of America, occupies 68,000 square feet of manufacturing and warehouse space and employs 53 people.

##### Situation:

In March 2002, AB Tube Processing began an aggressive plan to further implement lean manufacturing methodologies into its operations facility in North Las Vegas. With guidance from the Nevada Management Assistance Partnership (MAP), a NIST MEP network affiliate, and Anitech Inc., a multinational consulting company, AB Tube formed a lean steering committee to orchestrate its quest for manufacturing excellence. AB Tube wants to become not just another world-class supplier but also a problem solver for its customers. To become a preferred supplier, a problem solver, and a world-class performer, AB Tube is dedicating itself to applying lean manufacturing methodologies within its operations.

##### Solution:

MAP worked with AB Tube Processing to identify a lean steering committee. The committee appointed lean team members, selected a pilot manufacturing line, and developed an implementation schedule. The team scheduled three consecutive training days in late March 2002 to train production personnel in lean manufacturing techniques. The steering committee selected the second week in April for the first of seven week-long kaizen training and implementation events.

The first kaizen focused on workplace organization (5S) and visual controls to measure production rates, scrap, and overall downtime. The second kaizen focused on total preventative maintenance (TPM) and overall equipment effectiveness (OEE). A third kaizen held in late May saw the lean team experience exciting success while applying set-up reduction techniques, cutting changeover times in half. A fourth kaizen is scheduled to occur during the third week in June. The remainder of the year will be busy for AB Tube personnel, as more kaizens are scheduled to help guide the company toward world-class performance.

##### Results:

[www.mep.nist.gov](http://www.mep.nist.gov)



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Created self-directed cell teams.  
Reduced work-in-process by 75 percent.  
Reduced downtime and inventory.  
Improved communications.  
Increased levels of employee involvement and problem resolution.  
Improved capacity and efficiency improvements, enabling new business in existing cells without additional capital investment.

### **Testimonial:**

"The most pleasant surprise for me has been the assistance AB Tube has received from [the Nevada Manufacturing Assistance Partnership and Anitech] with regard to the organizational dynamics/human relations issues. As much attention has been paid to communications, employee empowerment, structural changes, and management-employee relations as to the technical activities of the transformation. AB Tube is planning ongoing assistance from MAP as we continue our drive to manufacturing excellence."

Stephen Schumrick, General Manager - AB Tube